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Thailand

Grain and Feed

Weekly Rice Price Update

2007

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Report Highlights:

Export and domestic prices surged due to tighter domestic supplies as exporters and millers are reportedly oversold. The Thai Government is rumored to be looking to release intervention stocks despite concern that such a release could affect current high prices.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Nov. 26):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	625	-	595	600	620	600	590	605	596
WR 100 B	360	-	360	360	360	368	360	361	348
PB 5%	365	-	370	370	377	385	370	373	357
WR 5%	355	-	355	355	352	358	355	355	341
WR 10%	352	-	350	352	347	355	350	351	335
WR 15%	350	-	345	350	342	351	345	347	331
WR 25%	343	-	340	343	337	346	-	342	326
WR 35%	340	-	-	340	-	342	-	341	325
A 1 SUP	323	-	-	323	317	328	325	323	312
A 1 SPEC	320	-	-	320	314	-	322	319	308
Source: Average actual prices received from exporters, Exchange rate: 33.7 baht/U.S.\$									

Market Tone

Domestic and export prices for all grades of rice surged due to tighter domestic supplies. Millers and exporters are facing difficulties in sourcing rice to fulfill outstanding contracts as they are reportedly oversold, particularly for parboiled rice. As a result, millers are aggressively buying white-rice paddy for deliveries. Domestic prices of white rice increased significantly by 3-5 percent. Also, domestic prices of fragrant rice increased by 8 percent over concern that acreage reductions in August have reduced available supplies. Some producers in the northeast reportedly shifted to more glutinous rice cultivation due to relatively higher prices. Meanwhile, foreign demand for Thai rice remains strong, particularly for parboiled rice due to tight exportable supplies of Indian rice. The Thai Government is expected to release intervention stocks of white rice for a rumored 500,000 tons. However, rice millers are reportedly pushing back on an intervention release over fear that a stock release will affect current high market prices. Despite the pushback from millers, prices will likely remain high until the end of first quarter 2008 when Vietnamese rice supplies come available.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
OCT 7	180,214	168,282	4,273	3,663	16.6
OCT 14	179,792	175,765	4,453	3,762	18.3
OCT 21	196,139	186,801	4,649	3,886	19.6
OCT 28	203,834	189,995	4,853	3,995	21.5
NOV 4	196,667	194,108	5,050	4,139	22.0
NOV 11	202,346	199,746	5,252	4,242	23.8
NOV 18	203,255	201,525	5,455	4,314	26.4
NOV 25	204,239	201,626	5,660	4,400	28.6

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Nov. 19-25, 2007 totaled 204,239 tons, up 984 tons from the previous week's total, and up 2,612 tons from the four-week moving average of 201,626 tons. Export during Jan. 1 – Nov. 25, 2007 totaled 5,659,863 tons, as compared with 4,399,824 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Nov. 13, 2007, amounted to 7,735,477 tons, up 20.4 percent from 6,426,498 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Nov. 5-9, Nov 12-16 and Nov. 19-23 are as follows:

Movement (MT)	Nov. 5-9	Nov. 12-16	Nov. 19-23
Weekly sales	152,844	268,407	184,194
4 week sum	761,667	810,450	831,441
4 week mov. avg.	190,417	202,613	207,860
Total weekly sales	5,597,507	5,865,914	6,050,108

End of Report.